

WAC 458-53-135 Indicated real property ratio--Computation. (1) **Determination of ratio for assessed value strata.** For each real property stratum, average assessed value and average market value shall be determined from the results of selected sales and appraisal studies. The average assessed value of the samples for each stratum divided by the average market value of the samples determines the ratio for each assessed value stratum.

(2) **Determination of indicated market value.** The actual total assessed value for each stratum divided by the ratio for each assessed value stratum, as determined by using the calculation set forth in subsection (1) of this section, determines the indicated market value of each stratum for the county.

(3) **Addition of county assessed values for current use and forest land--Assessor's certification of values.** The county assessed values of current use land and improvements (chapter 84.34 RCW) and forest land (chapter 84.33 RCW) as indicated on the current certification provided by the assessor to the county board of equalization are added to the actual total assessed value for the county. Ratios for current use land and improvements and for forest land are applied to the county assessed values to determine indicated market values.

(a) A copy of the assessor's certification to the board of equalization shall be filed with the department by July 15th, or when the rolls for the current assessment year are completed, whichever is later. The certification form shall be properly completed with all required information.

(b) If a copy of the assessor's certification is not received from an assessor prior to September 1, the assessor's abstract of assessed values for the current year may be used, when available. If not available, the assessed values from the abstract of the previous year may be used.

(4) **Determination of county indicated ratio.** The sum total of the county assessed values is divided by the sum of the indicated market values to determine the county indicated real property ratio.

(5) **Example.** The following illustration, using simulated values and ratios, indicates simplified ratio study computation procedures for real property.

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**STEP 1
STRATUM AVERAGE VALUE & RATIO COMPUTATIONS**

Type of Land Use	Stratum	Number of Samples	Average Assessed Value of Samples	Average Market Value of Samples	Stratum Ratio
SINGLE FAMILY RESIDENCE	0 - 75,000	400	\$ 35,000	\$ 45,000	77.8
	75,000 - 150,000	400	100,000	125,000	80.0
	150,000 - +	100	195,000	230,000	84.8
MULTI-FAMILY RESIDENCE	0 - 125,000	40	50,000	60,000	83.3
	125,000 - +	15	225,000	265,000	84.9
COMMERCIAL/ MANUFACTURING	0 - 500,000	40	140,000	165,000	84.8
	500,000 - +	25	2,000,000	2,350,000	85.1
AGRICULTURAL	0 - 125,000	35	60,000	65,000	92.3
	125,000 - +	35	300,000	330,000	90.9
OTHER	0 - 100,000	75	30,000	36,000	84.0
	100,000 - +	40	250,000	290,000	86.2

STEP 2
APPLICATION OF STRATUM RATIOS TO ACTUAL COUNTY
ASSESSED VALUES

Type of Land Use	Stratum	(1)	(2)	(3)
		Actual County Real Property Assessed Value	Ratio	County Market Value Related to Actual Assessed Value Col. 1) Col. 2
SINGLE FAMILY RESIDENCE	0 - 74,999 75,000 - 149,999 150,000 - +	\$500,000,000 250,000,000 250,000,000	77.8 80.0 84.8	\$642,673,522 312,500,000 294,811,321
MULTI-FAMILY RESIDENCE	0 - 124,999 125,000 - +	85,000,000 65,000,000	83.3 84.9	102,040,816 76,560,660
COMMERCIAL/ MANUFACTURING	0 - 499,999 500,000 - +	245,000,000 200,000,000	84.8 85.1	288,915,094 235,017,626
AGRICULTURAL	0 - 124,999 125,000 - +	110,000,000 95,000,000	92.3 90.9	119,176,598 104,510,451
OTHER	0 - 99,999 100,000 - +	90,000,000 75,000,000	84.0 86.2	107,142,857 87,006,961
CURRENT USE LAND (CHAPTER 84.34 RCW)		125,500,000	95.2	131,827,731
CURRENT USE IMP (CHAPTER 84.34 RCW)		50,000,000	84.0	59,523,810
FORESTLAND (CHAPTER 84.33 RCW) AND TIMBERLAND (CHAPTER 84.34 RCW)		2,950,000	100.0	2,950,000
		<u>\$2,143,450,000</u>		<u>\$2,564,657,447</u> = 83.6

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(6) Department may consider general trends in property values. The department may consider the relationship between the market value trends of real property and the assessed value increases or decreases made by the assessor during the year in each county as checks of the validity of the results of the sales and appraisal studies. The assistant director of the property tax division of the department may authorize modification of the results of the sales and appraisal study in any county where there is a demonstrable showing by an assessor to the assistant director that the sales and appraisal study is inconclusive or does not result in a reasonable and factual determination of the relationship of assessed values to market value such that a significant variation results from the previous year not deemed by the assistant director to conform with general trends in property values.

[Statutory Authority: RCW 84.08.010, 84.08.070 and 84.48.075. 96-05-002, ' 458-53-135, filed 2/8/96, effective 3/10/96.]